

STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
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INDIANAPOLIS, INDIANA 46204-2764

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**PETITION OF SOUTHERN INDIANA GAS)
AND ELECTRIC COMPANY d/b/a)
VECTREN ENERGY DELIVERY OF)
INDIANA, INC. FOR APPROVAL OF AN)
ADJUSTMENT TO ITS RATES THROUGH)
ITS QUALIFIED POLLUTION CONTROL)
PROPERTY OPERATING EXPENSE)
RIDER PREVIOUSLY APPROVED IN THE)
COMMISSION'S ORDER IN CAUSE NO.)
42248, PHASE II)**

CAUSE NO. 42508-S1

APPROVED:

FILED

APR 28 2004

INDIANA UTILITY
REGULATORY COMMISSION

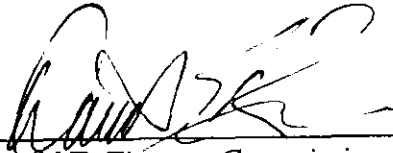
You are hereby notified that on this date the Presiding Officers in this Cause make the following Entry:

On November 25, 2003, the Indiana Utility Regulatory Commission ("Commission") issued an Order in Cause No. 42508 that approved, in part, the request of Southern Indiana Gas and Electric Company d/b/a Vectren Energy ("Petitioner") for a rate adjustment through its Qualified Pollution Control Operating Expense Rider ("QPCP-OE Rider"), which was previously approved in Cause No. 42248, Phase II. The November 25, 2003 Order approved a QPCP-OE Rider rate adjustment resulting from operation of Petitioner's Culley Unit 3 Selective Catalytic Reduction ("SCR") system for the twelve month period October 1, 2003 through September 30, 2004. Petitioner's request in Cause No. 42508 for a QPCP-OE Rider rate adjustment for the same twelve month period, resulting from operation of its Warrick Unit 4 and Brown Unit 2 SCR's, was held in abeyance insofar as those two SCR's were not projected to be in service until June 1, 2004. The November 25, 2003 Order created this subdocket, Cause No. 42508-S1, for the purpose of receiving additional information to be filed on or before April 1, 2004, relative to the Warrick Unit 4 and Brown Unit 2 SCR's. The Commission's determination with respect to a QPCP-OE Rider rate adjustment for the Warrick Unit 4 and Brown Unit 2 SCR's will be made in this subdocket.

On April 1, 2004, Petitioner filed its Petition and attached Appendices A, B, C and D, requesting a QPCP-OE Rider rate adjustment resulting from operation of its Warrick Unit 4 and Brown Unit 2 SCR's. Having reviewed the Petition and its attachments, the Presiding Officers request clarification as to why the proposed QPCP-OE rate adjustments for each of the various Rate Schedules are higher on Revised Sheet No. 62-A in Cause No. 42508-S1 than the proposed rate adjustments shown on Original Sheet No. 62-A in Cause No. 42508. Since it appears that the Rate Derivation Schedules filed in each of these two Causes contemplates revenue requirements for all three Units,

and since O&M expenses will not be incurred and depreciation expense will not be recorded on the Warrick Unit 4 and Brown Unit 2 SCRs until June 1, 2004, it is unclear as to what intervening rate requirement has occurred that results in higher proposed rate adjustments than originally requested in Cause No. 42508. Petitioner should file a written response to this question on or before May 3, 2004.

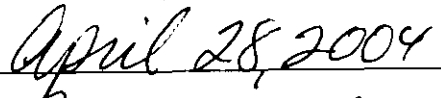
IT IS SO ORDERED.



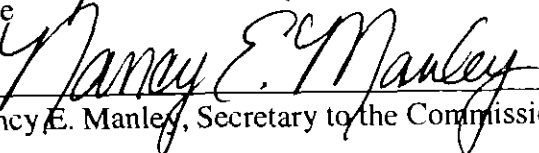
David E. Ziegner, Commissioner



William G. Divine, Administrative Law Judge



Date



Nancy E. Manley, Secretary to the Commission